REMARKS

I.   Introduction – Claim Status

Subsequent to (1) a Notice of Appeal filed February 12, 2002, (2) a Priority Claim and Amendment Under 35 USC §120 and 37 CFR §1.78 filed May 10, 2002, and (3) an Advisory Action mailed August 20, 2002, this Amendment is submitted in response to the outstanding Final Office Action of August 24, 2001, and is accompanied by a Request for Continued Examination Under 37 C.F.R. §1.114 and by a Petition for Extension of Time with fee.

The final Office Action indicates that claims 12-18 are pending and stand rejected over the prior art. Applicant has herein amended claims 12 and 17 without prejudice, disclaimer, disavowal or waiver as to claims 12-18 as pending prior to the herein amendment, which claims Applicant intends to pursue in a separate related application. Applicant has herein entered new claim 19.

Applicant respectfully requests reconsideration in view of the herewith presented amendments and remarks.

II.   The Priority Claim and Amendment Under
35 USC §120 and 37 CFR §1.78 filed May 10, 2002

On May 10, 2002, Applicants filed a Priority Claim and Amendment Under 35 USC §120 and 37 CFR §1.78, which according to the Advisory Action has not been entered because it was submitted after a final rejection and does not place the

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application in condition for allowance.

As indicated in the concurrently filed RCE, Applicant requests entry of the Priority Claim and Amendment Under 35 USC §120 and 37 CFR §1.78 filed on May 10, 2002, which Applicant respectfully submits should be entered as of right in view of the instant Amendment and concurrently filed RCE.

III. The 35 U.S.C. § 112, ¶2 Rejection

Claim 13 is rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. More specifically, the Office Action asserts that the terms "an electronic physical object ticket" is a relative term that renders the claim indefinite.

Applicant respectfully traverses this rejection on the grounds that in light of the specification an ordinarily skilled artisan would be reasonably apprised of the scope of the claimed invention. For example, various types of tickets—including a "physical object ticket"--are described in the specification at, e.g., page 7, line 11 through page 13, line 17 (regarding "physical object ticket", see page 8, lines 25-27 and page 11, lines 7-16). Applicant submits that the detailed description of not only a physical object ticket, but also other types of tickets, clearly and reasonably conveys to one skilled in the art the meaning of "an electronic physical object ticket", and thus this recitation does not render the claim indefinite.

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IV.   **The Prior Art Rejection**

The Office Action rejects claims 12-18 under 35 U.S.C. § 103(a) as being

unpatentable over Bray (NatWest, Midland To Start 'Smart' Card For Small Payments—

Banking Will Become Possible For Multiple Currencies Without Handling Cash", The

Wall Street Journal, Dec. 10, 1993) in view of Official Notice and Elsner (U.S. Patent

No. 5,224,164).

Applicant's claimed invention (claim 17) is directed to a purchase transaction

method where electronic money is sent from a first transaction apparatus to a second

transaction apparatus during purchase transactions; receipt data is sent from the

second transaction apparatus to the first transaction apparatus; electronic money

transfer data, including date and amount of transfer, is stored in the first transaction

apparatus; and post-transaction receipt data that lists the purchased items is also

stored in the first transaction apparatus. Applicant has herein amended claim 17 to

additionally recite that the electronic money is sent from a money module of the first

transaction device, and that the receipt data is sent to a trusted agent of the first

transaction device.

Applicant's claimed invention is also directed to (claim 12) an electronic

transaction apparatus including a host processor, a first electronic unit and a second

electronic unit. The "second electronic unit . . . receives receipt data from another

electronic transaction apparatus, wherein said receipt data includes a list of items

purchased, and where said second electronic unit is programmed to include a

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transaction log function that stores post-transaction receipt data." Applicant has herein amended claim 12 to further recite that "said first electronic unit is a money module and said second electronic unit is a trusted agent".

The Office Action states that "applicant defines the term 'trusted agent' on page 1 of the specification." The Office Action asserts that "the means in Bray that stores electronic money meets the definition of money module. " It further asserts that "Passwords and pins are well known means of protection for computer based system . . . [a]nd examiner takes Official Notice of such."

Applicant respectfully submits that (1) even assuming "passwords and pins are well known means of protection for computer based system[s]", and (2) even assuming *arguendo* that there is a motivation or suggestion for combining Bray and Elsner, the combination of Bray and Elsner does not teach or suggest an electronic transaction apparatus or method that comprises a money module for sending electronic money and a trusted agent for receiving receipt data, as claimed by Applicant.

Applicant notes that in light of the specification, a trusted agent is not simply a password or pin protection module, as implied by the Office Action, but is a tamper-proof electronic unit that implements secure protocols which cooperate with a money module to execute a trusted purchase transaction (even remotely over a network). In this sense, it is appreciated that a trusted agent is distinct from a money module (though they may be integrated as a single component or single integrated circuit). See, e.g., specification at page 6, line 13 – page 7, line 9.

Bray describes the Mondex system as having smart cards that stores a monetary

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value and can be used with specially adapted point-of-sale terminals, such that the "value of the transaction will move electronically from the card to the terminal". The cardholders will have an electronic wallet "showing how much cash is available, plus details of the past 10 transactions."

Elsner relates to a message encrypting and decrypting method that allows for "authorization", "identification", "electronic signature" and "authentication". Elsner describes providing an authenticated "electronic receipt", col. 16, line 58 et seq., and also notes that the cryption system may be used to form "an authorized 'electronic money purse' for 'authenticatable money' which can exchange fully autonomously and secretly encoded amounts of cash money values with equally authorized 'money purses' or exchanges", (col. 17, lines 28-34).

Bray and Elsner, individually or in combination, do not describe the architecture of the electronic purse or smart card, and *a fortiori* do not teach or suggest an electronic transaction apparatus or method that comprises a money module for sending electronic money and a trusted agent for receiving receipt data, as claimed by Applicant. Applicant maintains that the Official Notice taken by the Examiner concerning "a password or pin protection module" is inapposite with respect to Applicant's claimed invention (e.g., regarding a "trusted agent"), and requests that if Official Notice is maintained concerning these claim limitations, that the examiner substantiate this position as provided under 37 C.F.R. § 104(d)(2). For at least these reasons, Applicant respectfully submits that the § 103 rejection of claims 12-18 does not withstand scrutiny and should be withdrawn.

Applicant's herein amendment and hereinabove remarks are not intended as an admission as to the assertions in the Office Action concerning the prior art rejections, and further Applicant maintains that additional reasons support the patentability of claims 12-18. By way of example, Applicant submits that there is no motivation or suggestion for combining Bray and Elsner, and that even if combined there is no teaching or suggestion of the sending/receiving receipt data that includes a list of items purchased, nor of the electronic transaction apparatus having first and second electronic units as claimed (claim 12) even prior to the instant amendment.

V.   New Claim 19

New claim 19 has been entered to claim additional aspects of Applicant's invention. Claim 19 corresponds to a combination of limitations recited in claims 13, 14 and 15 of US Patent No. 6,122,625, which is a related divisional application of the applications to which priority has now been claimed. Accordingly, Applicant submits that this claim is fully supported and should be allowed.

VI.   Conclusion

In view of the above amendments and remarks, Applicant respectfully submits that the application is in condition for allowance. Reconsideration and withdrawal of the Examiner's rejections is respectfully requested and allowance of all pending claims is respectfully submitted.

If any outstanding issues remain, or if the Examiner has any suggestions for expediting allowance of this application, the Examiner is invited to contact the

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undersigned at the telephone number below.

The Examiner's time and attention to this matter are greatly appreciated.

Respectfully submitted,

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Dated: <u>September 12, 2002</u>   By: _____
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AMENDMENT ANNEX WITH MARKINGS TO SHOW CHANGES MADE

The claim amendments are identified below with underlining and bracketing to indicate added and deleted text, respectively.

Please cancel claim 16, without prejudice or disclaimer.

12. (Amended)   An electronic transaction apparatus comprising:

a host processor;

a first electronic unit that transfers electronic money to another electronic transaction apparatus, stores electronic money, and is programmed to include a transaction log function that stores electronic money transfer data, where said data describes electronic money transfers completed by said first electronic unit during purchase transactions and includes date of transfer and amount of transfer;

a second electronic unit that receives receipt data from another electronic transaction apparatus, wherein said receipt data includes a list of items purchased, and where said second electronic unit is programmed to include a transaction log function that stores post-transaction receipt data; [and]

wherein said host processor, said first electronic unit, and said second electronic unit are electronically connected for communication; and

wherein said first electronic unit is a money module and said second electronic unit is a trusted agent.

17. (Amended) An electronic purchase transaction method, comprising the steps of:

sending electronic money from a <u>money module of a</u> first transaction

apparatus to a second transaction apparatus during purchase transactions;

sending receipt data from said second transaction apparatus to <u>a trusted</u>

<u>agent of</u> said first transaction apparatus;

storing in said first transaction apparatus electronic money transfer data

during said purchase transactions, where said data includes date of transfer and

amount of transfer; and

storing in said first transaction apparatus post-transaction receipt data that

lists items purchased.

19. (New) A tamper-proof electronic transaction device comprising:

an external interface;

an electronic processor in communication with said external interface;

a memory that stores a unique digital certificate associated only with said

transaction device, where said digital certificate includes a unique identifier, a

public key, and a digital signature;

a key generator that generates a public and private key pair, wherein said

public key is included within said digital certificate; and

wherein said key generator includes a random number generator, and

said digital certificate includes a unique device identifier and said digital

signature is provided by a security server which creates said digital certificate.

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